

## Message Text

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ACTION EA-10

INFO OCT-01 EUR-12 NEA-09 IO-10 ISO-00 CIAE-00 DODE-00

PM-03 H-01 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01

SP-02 SS-15 USIA-06 OMB-01 SAJ-01 NIC-01 /088 W

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P 101045Z FEB 75

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC PRIORITY 3786

INFO CINCPAC HONOLULU HI

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

USLO PEKING

AMEMBASSY MOSCOW

AMEMBASSY BANGKOK

AMEMBASSY CANBERRA

AMEMBASSY ISLAMABAD

AMEMBASSY LONDON

AMEMBASSY MANILA

AMEMBASSY NEW DELHI

AMEMBASSY PARIS

AMEMBASSY RANGOON

AMEMBASSY SAIGON

USMISSION NATO

USMISSIN USUN

AMEMBASSY BUCHAREST

AMEMBASSY DACCA

AMEMBASSY JAKARTA

AMEMBASSY KATHMANDU

AMEMBASSY KUALA LUMPUR

AMEMBASSY PHNOM PENH

AMEMBASSY SEOUL

AMEMBASSY SINGAPORE

AMEMBASSY VIENTIANE

AMEMBASSY WELLINGTON

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CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: INT CH

SUBJ: YEAR END POLITICAL ASSESSMENT

1. SUMMARY: CHINA'S 1974 POLITICAL YEAR WAS AN EXCEPTIONAL ONE, WITH ITS BEGINNING IN THE 10TH PARTY CONGRESS OF AUGUST, 1973, AND ITS CONCLUSION IN THE SECOND PARTY PLENUM AND THE FOURTH NATIONAL PEOPLE'S CONGRESS OF JANUARY, 1975. IN THOSE 17 MONTHS THE MILITARY COMMANDERS WERE REDUCED IN INFLUENCE, THE LEFTISTS TRIED TO REASSERT THEMSELVES BUT FELL SHORT, AND THE MODERATES CAME OUT ON TOP, FOR THE MOMENT AT LEAST. BETWEEN THOSE POLITICAL MILESTONES, THE YEAR'S EVENTS SUGGEST A FEW OBSERVATIONS WITH IMPLICATIONS FOR THE FUTURE. END SUMMARY.

2. IN 1974 CHINA EXPERIMENTED WITH ITS FIRST MASS POLITICAL MOVEMENT SINCE THE CULTURAL REVOLUTION BUT THE CAMPAIGN FAILING TO AROUSE MASS SUPPORT, WAS SOON SPENT AND TOPPLED OVER ON ITS INITIATORS. THE YEAR DIVIDED NEATLY IN HALF, WITH THE MOVEMENT LURCHING UNSTEADILY TO ITS ZENITH AT MID YEAR AND THEN ABRUPTLY PLUMMETING AS REVOLUTION PREDICTABLY OPENED OLD WOUNDS AND HURT PRODUCTION. A MODERATE MAJORITY WITHIN THE LEADERSHIP PROMPTLY STEPPED IN TO HALT THE AFFAIR. WITH THE REINS AND THE INITIATIVE NOW IN THEIR HANDS THIS MAJORITY, AS INDICATED AT THE RECENTLY CONCLUDED NATIONAL PEOPLE'S CONGRESS, APPARENTLY INTENDS TO TURN THE CLOCK BACK TEN YEARS AND TO REDIRECT THE NATION'S EFFORTS AWAY FROM EVANGELISM AND TOWARD ECONOMIC DEVELOPMENT, WITH THE GOAL OF TURNING CHINA INTO A "POWERFUL, MODERN, SOCIALIST STATE" BEFORE THE END OF THE CENTURY.

3. NOTHING IN CHINA IS EVER THIS CLEAR CUT EXCEPT WHEN LOSERS HAVE BEEN PUBLICLY PURGED, AND NO ONE OF ANY CONSEQUENCE HAS BEEN PURGED IN THIS STRUGGLE SO FAR. MOST LIKELY MAO IS DISSATISFIED WITH THE WAY THINGS HAVE GONE, AND THAT BY ITSELF WOULD BE A SERIOUS ENOUGH DEVELOPMENT. HOWEVER, WHILE MAO WILL BE REVERED AS LONG AS HE LIVES, IT IS HARD TO SEE HIM AGAIN DIRECTLY PLAYING AN ACTIVE ROLE. INDEED, IT WAS DOUBTFUL BACK ON FEBRUARY 2 LAST YEAR WHEN THE MOVEMENT WAS LAUNCHED THAT THE 80- YEAR-OLD CHAIRMAN, AS ALLEGED, HAD

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INITIATED AND WAS PERSONALLY LEADING THE CAMPAIGN. RATHER, IT WAS HIS HEIRS AND INTIMATES ON THE LEFT WHO TRIED THE TOSS BUT, UNDER THE LIMITS OF STRUGGLE WITHIN WHICH THEY CAMPAIGNED, FAILED TO MAKE ANY GAINS IN POWER.

4. THE EVENTS OF 1974 SHOWED THE LEFT TO HAVE CRITICAL SHORTCOMINGS, NOT THE LEAST OF WHICH IS THE DEPENDENCE OF ITS CENTRAL LEADERSHIP UPON AN INTIMATE RELATIONSHIP WITH THE

AGED AND FAILING MAO. THEY MAY WELL HAVE FELT ABANDONED WHEN THE CHAIRMAN DECAMPED FROM PEKING AROUND MIDEYEAR AND WENT INTO SEMI-SECLUSION. FOR THIS PALACE-BASED LEFT HAS LITTLE FOOTHOLD IN THE COUNTRY OUTSIDE SHANGHAI AND IS NOT ONLY OUT OF TOUCH WITH THE SOURCES OF UNREST AMONG LABOR AND YOUTH BUT, THROUGH THE MAOIST APRON STRINGS, IS CLOSELY IDENTIFY WITH POLICIES WHICH CAPE THESE POPULAR FORCES. ABOVE ALL, IN TERMS OF POWER AS IT EXISTS IN CHINA TODAY, THE LEFT HAS FAILED EITHER TO SUBVERT THE MILITARY COMMAND WITH WHICH IT HAS INCESSANTLY QUARRLED , OR TO DO THE ALTERNATIVE AND STOP ANTAGONIZING IT.

5. UNDER THESE CIRCUMSTANCES, THE LEFT HAS SO BADLY MANAGED ITS AFFAIRS THAT WE WOULD EXPECT THE MILITANTS TO LIE LOW FOR AWHILE, IT IS, HOWEVER, POSSIBLE TO FORSEE A TIME WHEN A NEW OPPOSITION FORCE MIGHT EMERGE IN CHINA, OUTSIDE PALACE PRIVILEGES AND DOWN AMONG THE GENUINELY AGGRIEVED AND, OF NECESISTY, BOLD. THE CONSTITUTENCY FOR SUCH A GRIEVANCE WITHIN THE CHINESE COMMUNIST SYSTEM, IS LIKELY TO EXPAND IN THE DISRUPTIONS WHICH CAN BE EXPECTED TO EMERGE OUT OF THE MASSIVE ECONOMIC AND GOVERNMENTAL REARRANGEMENTS THE REGIME IS NOW PLANNING.

6. ANY OPPOSITION MOVEMENT, PROGRESSIVE OR REACTIONARY, WOULD PRESENTLY BE PITTED AGAINST A COALITION THAT WHATEVER ELSE IS CONSERVATIVE ABOUT ITS MEMBERSHIP. THE AVERAGE AGE OF THE PARTY VICE CHAIRMAN, RESHUFFLED AT THE RECENT PLENUM, IS 67, AGAINST 63 FOLLOWING THE CONGRESS IN 1973. AT 40, WHANG HUNG-WEN IS 30 OR MORE YEARS YOUNGER THAN ANY OTHER OF THE VICE VICE CHAIRMEN, AND HE PROBABLY FACES A LONGER PERIOD OF GROOMING (AND SURVIVING) TO REACH THE TOP THAN HIS CURRENT POSITION AS NEXT AFTER CHOU WOULD IMPLY. BY COMPARISON, CHOU WAS ABOUT WANG'S AGE WHEN HE BEGAN HIS 26 YEAR CAREER AS CONFIDENTIAL

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PREMIER OF CHINA. THIS REGIME HAS GROWN OLD IN OFFICE AND IS NOT GIVING UP TO YOUTH TODAY.

7. WE WOULD GUESS THAT THIS PRESENT LEADERSHIP, WHICH HAS TAKEN IN MODERATE-LEANING SHANGHAI CHIEF CHANG CHUN-CHIAO AND HUNAN'S SEEMINGLY -TEMPERED BOSS HUA KUO -FENG, IS ALSO CONSERVATIVE WITHIN THE CHINESE COMMUNIST EXPERIENCE IN OTHER WAYS. THE COALITION'S APPROACH TO PROBLEMS IN THE FEW WEEKS SINCE ITS INSTALLATION HAS BEEN TO CALL FOR HARD WORK AND SELF-SACRIFICE, TO BE ENFORCED BY A FULLER USE OF DICTATORIAL POWERS OF REPRESSION. THE COALITION'S PRONOUNCEMENTS SOUND MORE FIRM THAN BLOODY-MINDED, ALTHOUGH REPRISALS AGAINST THE LEFT MAY YET DEVELOP. THE ELDERS AMONG THE LEADERS HAVE THEIR REVOLUTIONARY CREDENTIALS WELL-STAMPED AND, WITH MAO OUT MAY FEEL THEY HAVE NO ONE TO ACCOUNT TO BUT THEMSELVES.

DOUBTLESS THERE ARE DIFFEENCES AND RIVALRIES WITH IN THEIR  
COUNCIL.

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ACTION EA-10

INFO OCT-01 EUR-12 NEA-09 ISO-00 CIAE-00 DODE-00 PM-03

H-01 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 OMB-01 NIC-01 SAJ-01 IO-10 /088 W

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P R 102345Z FEB 75

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC PRORITY 3787

INFO CINCPAC HONOLULU HI

AMEMBASSY TAIPEI

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8. CHOU EN-LAI SPEAKS FOR AND PROBABLY MANIPULATES THIS NEW MAJORITY, ALTHOUGH WE WOULD GUESS THAT THE MAJORITY HAS PREVAILED DUE ESSENTIALLY TO THE COLLECTIVE INFLUENCE OF PARTY ELDERS, OLD MARSHALS, AND MILITARY REGION COMMANDERS. CHOU CONTINUES TO USE THE HOSPITAL AS A SHIELD AGAINST SOME DOMESTIC ENEMY. HE MONTHS AGO, STOPPED USING IT AS AN EXCUSE TO SHUNT FOREIGNERS ASIDE, ALTHOUGH SOME OF HIS CALLERS STILL MISS THIS POINT AND COME AWAY FROM THE "HOSPITAL" CHARADE CLUCKING OVER HOW POORLY THE MAN LOOKS.

9. WHEN LIN BIAO FELL IN 1971 WE SAID IN OUR YEAR-END ASSESSMENT THAT MUCH DEPENDED UP ON THE TIME AVAILABLE TO MAO AND CHOU TO BALANCE FACTIONS AND TO PUT TOGETHER A NEW ARRANGMENT FOR SUCCESSION. AFFAIRS NOW DEPEND UPON HOW MUCH TIME CHOU HAS, WITHOUT MAO AND POSSIBLY WITHOUT MAO'S FULL APPROVAL, TO GUIDE CHINA FIRMLY ONTO THE PATH OF BECOMING A "POWERFUL, MODERN SOCIALIST STATE".

10. FOR THE FORESEEABLE FUTURE OUR REPORTING WILL BE DIRECTED AT LEARNING THE TRUTH AND THE STRENGTH OF CHINA'S NEW COURSE. UNTIL WE CAN SEE WHAT THE TURN TOWARD ECONOMIC DEVELOPMENT MEANS IN PRACTICE AND HOW FIRM A GRIP ITS ARCHITECTS HAVE ON POWER, WE CANNOT MAKE OBJECTIVE PROJECTIONS. IT IS APPARENT HOWEVER, THAT THERE COULD BE A MAJOR CHANGE IN PRIORITIES AMONG CHINA'S CONCERNS AND INTERESTS.

11. OBVIOUSLY, CHINA'S DOMESTIC POLITICAL STRUGGLES ARE NOT OVER, NOR HAS THE FEAR OF HOSTILE SOVIET MOVES ENDED. BUT THE RELATIVE MIGHT OF THESE LONG-STANDING PREOCCUPATIONS COULD BE DECLINING AND MAY NOW NEED TO BE MEASURED AGAINST A NEW CHINESE DEDICATION TO VIGOROUS NATIONAL DEVELOPMENT. TO CHART A COURSE TOWARD AMBITIOUS ECONOMIC GROWTH IMPLIES A DESIRE FOR, IF NOT CONFIDENCE IN, A PERIOD OF STABILITY AT HOME AND ABROAD. FOR ALL CHINA'S CURRENT TALK ABOUT INEVITABILITY OF WAR, PEKING IS PLANNING ON THE BASIS OF PEACE. IF, IN THE EVENT THE NEW COMMITMENT ENDURES AND GOES DEEP, THEN GRADE AND SOURCES OF TECHNOLOGY WILL BE EXPANDING INTEREST, AND PEKING'S RESPONSE GENERALLY TO DEVELOPMENTS AT HOME AND ABROAD SHOULD INCREASINGLY BE DETERMINED BY HOW THEY ARE

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SEEN TO AFFECT CHINA'S PROGRESS TOWARD BECOMING MODERN AND

POWERFUL.  
CROSS

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## Message Attributes

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